factured by others. The foreign exchange inflow shall not be less than 5 times foreign exchange outgo of the Project during the above mentioned 10 years period. As indicated above, the team of officers has observed that no exports from out of the products manufactured by the company have been made towards commitment of 40 per cent exports stipulated in the Later of Intent. The team has, however, indicated that out of Select List products, export worth Rs. 86.90 lakhs are reported to have been made.

In case of default/shortfall in fulfilling the export obligation, established and not condoned, Chief Controller of Imports & Exports can proceed against the defaulter in any of the following manners:—

(i) to direct the party to hand over to the STC or another Agency nominated by the Government the goods equivalent to difference between stipulated export obligation and actual export made in discharge of export obligation in question.

(ii) the defaulting party will be required to pay liquidated damages to the said Agency equal to 5 per cent of annual export obligation subject to a maximum of Rs. 5.00 lakhs.

(iii) Government is also entitled and is at liberty to take possession of the goods in ffuestion produced by the Company to the specific extent and also to take such other action as it may consider necessary in addition to recovering the liquidated damages.

(iv) In the event of the party not handing over the goods to STC or the nominated Agnecy for export, the only remedy available is that of proceeding against them in a court of law for breach of contract under the provisions of Indian Contract Act.

(v) Apart from the above, action may be initiated under the provisions of Import and Export (Control) Act, 1947 and/or Import (Control) Order, 1955.

(d) and (e) As indicated above, the project shall export 40 per cent of its own manufactured products and the remaining can be sold in the domestic market. There is no change in this conditon.

Effect of Gulf Crisis on Drug Smuggling

1070. SHRI SURESH KALMADI: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Gulf Crisis has led to the increased drug smuggling in India; and

(b) if so, what are the reasons therefor; and what steps Government have taken to check this activity?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE AND THE DEPUTY MINISTER IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI DIGVIJAY SINGH): (a) There are no indications to show that Gulf crisis has led to increased drug smuggling in India.

(b) Does not arise in view of (a) above.

Tiwari Committee on Loan Recovery by Banks

1071. SHRI GURUDAS DAS GUPTA:
SHRI CHATURANAN MISHRA:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the Tiwari Committee had recommended for a special legislation to give some teeth to the loan recovery operations by banks; and

(b) if so, when the commitee submitted its report and what is the